

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

9 9 — 0 3 3

2. STATE:

Iowa

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

September 1, 1999

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Section 1931 of the Social Security Act

7. FEDERAL BUDGET IMPACT:

a. FFY 1999 \$ 0
b. FFY 2000 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement 14 to Attachment 2.6-A, pages 2 through 5

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Supplement 14 to Attachment 2.6-A, pages 2, 3, and 4 (MS-99-21)

10. SUBJECT OF AMENDMENT:

Additional income and resource methodologies for determining eligibility of children and families that are more liberal than those in place for AFDC as of July 16, 1996.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Jessie K. Rasmussen

14. TITLE:

Director

15. DATE SUBMITTED:

September 29, 1999

16. RETURN TO:

Director
Department of Human Services
Hoover State Office Building
Des Moines, IA 50319-0114

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

10/01/99

18. DATE APPROVED:

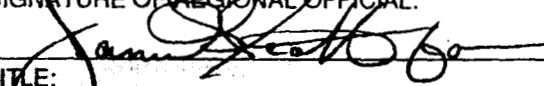
JAN 29 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

SEP 01 1999

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Thomas W. Lenz

22. TITLE:

ARA for Medicaid and State Operations

23. REMARKS:

cc:
Rasmussen
Headlee
CO

SPA CONTROL

Date Submitted 09/29/99

Date Received 10/01/99

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State:

Iowa

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

- Earnings in kind are exempt as income and as a resource.
- The value of nonhomestead property that produces income consistent with its fair market value is exempt as a resource.
- The value of nonhomestead property that is publicly advertised for sale at an asking price consistent with its fair market value is exempt as a resource.
- When property is sold under an installment contract or held in security in exchange for a price consistent with its fair market value, the value of this installment contract is exempt as a resource.
- Applicants and recipients who are employed receive a care deduction of up to \$200 for children under age 2 and up to \$175 for children aged two or over and for incapacitated adults.

The income and resource methodologies that the less restrictive methodologies replace are as follows:

- All income was considered for purposes of the 185% gross income test.
- Income of full-time students under the age of 19 was considered if the person was also a parent. Only the earnings of a child who was a full-time student attending high school or an equivalency program were disregarded.
- Earnings in kind were considered the same as cash earnings.
- The net market value of nonhomestead property was counted as a resource regardless of whether it was used to produce the household's income or was for sale.
- When property was sold under an installment contract, the value of this installment contract was counted as a resource.
- Care deductions for applicants and recipients with part-time employment were limited to up to \$199 for children under age 2 and up to \$174 for children aged two or over and for incapacitated adults.

TN No. MS-99-33 substitute page 2

Supersedes

TN No. MS-98-5

Approval Date

JAN 30 2001

Effective Date

SEP 01 1999

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

ELIGIBILITY UNDER SECTION 1931 OF THE ACT

- The agency terminates medical assistance (except for certain pregnant women and children) for individuals who fail to meet TANF work requirements.
- X The agency continues to apply the following waivers of provisions of Part A of Title IV in effect as of July 16, 1996, or submitted before August 22, 1996, and approved by the Secretary on or before July 1, 1997.

Income Methodologies - Earned Income Disregards

- Waiver of Section 402(a)(8)(A)(ii) of the Act and 45 CFR 233.20(a)(11)(i)(B). The work expense disregard for applicants and recipients is changed from \$90 to 20% of gross earnings.
- Waiver of Section 402(a)(31) of the Act and 45 CFR 233.20(a)(3)(xiv)(A). The work expense disregard for stepparents is changed from \$75 to 20%.
- Waiver of Section 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(xviii). The work expense disregard for parents who live in the same home as a child who is a minor parent is changed from \$75 to 20%.

TN No. MS-99-33 substitute

Supersedes

TN No. MS-98-5

Approval Date

01/26/01

Effective Date

SEP 01 2000

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Iowa

- Waiver of Sections 402(a)(8)(A)(iv), 402(a)(8)(B)(ii), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(xiv), 233.20(a)(3)(xviii), 233.20(a)(11)(i)(C), and 233.20(a)(11)(ii)(B). The \$30-and-1/3 earned income disregard is replaced with a work incentive deduction equal to 50% of the earned income remaining after all other deductions are subtracted. The deduction applies to applicants, recipients, stepparents, and parents who live in the same home as a child who is a minor parent. The 50% disregard is not time-limited.
- Waiver of Section 402(a)(31) of the Act and 45 CFR 233.20(a)(3)(xiv). Stepparents not receiving assistance are allowed to receive a child care disregard for the stepparent's dependents.
- Waiver of Sections 402(a)(8)(A)(ii), 402(a)(8)(A)(iii), 402(a)(8)(A)(iv), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(xiv), 233.20(a)(3)(xviii), 233.20(a)(11)(i)(B), 233.20(a)(11)(i)(C), 233.20(a)(11)(i)(D), and 233.20(a)(11)(ii)(B). Earnings for the first four months of new (self) employment (work transition period) for applicants, recipients, stepparents, and parents who live in the same home as a child who is a minor parent are disregarded if:
 - The person has had less than \$1,200 in earnings in the 12 months before the new work began; and
 - The new (self) employment is reported timely; and
 - The new employment begins after the date of application.

Income Methodologies - Other Income Disregards

- Waiver of Sections 402(a)(7)(A), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(ii), 233.20(a)(3)(xiv), and 233.20(a)(3)(xviii). Interest and dividend income of any person whose income must be considered when determining eligibility is disregarded.
- Waiver of Sections 402(a)(7)(A), 402(a)(31), and 402(a)(39) of the Act and 45 CFR 233.20(a)(3)(ii), 233.20(a)(3)(xiv), and 233.20(a)(3)(xviii). Income deposited into individual development accounts (IDAs) is disregarded.

TN No. MS-99-33

Supersedes

TN No. MS-99-21

Approval Date

JAN 20 2001

Effective Date

SEP 01 2000

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: IowaIncome and Resource Methodologies

- Waiver of Section 402(a)(7) of the Act and 45 CFR 233.20(a)(3)(ii). Incentive payments and bonuses for applicants and recipients participating in focus groups and longitudinal surveys is disregarded.

Resource Standards

- Waiver of Section 402(a)(7)(B) of the Act and 45 CFR 233.20(a)(3)(i)(B). The asset limit is increased to \$2,000 per assistance unit for applicants and \$5,000 for recipients.
- Waiver of Section 402(a)(7)(B)(i) of the Act and 45 CFR 233.20(a)(3)(i)(B)(2). The vehicle asset limit is increased to \$3,000 effective July 1, 1994, with annual increases based on the consumer price index, for each adult and working teenager in the household.
- Waiver of Section 402(a)(7)(B) of the Act and 45 CFR 233.20(a)(3)(i)(B). The balance in an individual development account is disregarded.

Deprivation Requirements - Unemployed Parent

- Waiver of Section 402(a)(41) of the Act and 45 CFR 233.101(a)(1)(i), 233.101(a)(3)(i), 233.101(a)(3)(iii), 233.101(a)(vi)(A), 233.101(c)(1)(iii), and 233.101(c)(1)(iv). The principal wage earner provisions, the 100-hour requirement, and the six-quarter work history requirement are eliminated.

TN No. MS-99-33
 Supersedes
 TN No. MS-99-21

Approval Date JUN 10 2001 Effective Date SEP 10 2001